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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/575,995	05/11/2007	Greg H. Crocker	PKT-P1-06(US)	8906
28710	7590	12/21/2011	EXAMINER	
PETER K. TRZYNA, ESQ. P O BOX 7131 CHICAGO, IL 60680			CAMPEN, KELLY SCAGGS	
			ART UNIT	PAPER NUMBER
			3691	
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			12/21/2011	PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/575,995	<b>Applicant(s)</b> CROCKER, GREG H.	
	<b>Examiner</b> KELLY CAMPEN	<b>Art Unit</b> 3691	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 06 December 2011.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 17-42 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 17-42 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                       | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>1/14/2011</u> .   | 6) <input type="checkbox"/> Other: _____                          |

### **DETAILED ACTION**

***The following is in response to the amendments filed with the RCE filed 1/14/2011 and the amendments filed 12/6/2011. Claims 17-42 are pending.***

#### ***Continued Examination Under 37 CFR 1.114***

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 2/22/2010 and 12/6/2011 has been entered.

#### ***Election/Restrictions***

The restriction requirement of 5/29/2008 has been withdrawn with the canceling of claims 1-16 and amending of claims 17-42.

#### ***Information Disclosure Statement***

While 37 CFR 1.97 and 1.98 do not require that the information be material, rather they allow for submission of information regardless of its pertinence to the claimed invention and there is no requirement to explain the materiality of submitted references, the cloaking of a clearly relevant reference by inclusion in a long list of citations may not comply with Applicant's duty of disclosure, see *Penn Yan Boats, Inc. V. Sea Lark Boats Inc.*, 359 F. Supp. 948, aff'd 479 F. 2d. 1338.

### *Specification*

The abstract of the disclosure is objected to because it includes language which may be implied ( "The disclosure relates to..." "Disclosed embodiments implanting the..." see below, emphasis added). Correction is required. See MPEP § 608.01(b).

Applicant is reminded of the proper language and format for an abstract of the disclosure.

The abstract should be in narrative form and generally limited to a single paragraph on a separate sheet within the range of 50 to 150 words. It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited. The form and legal phraseology often used in patent claims, such as "means" and "said," should be avoided. The abstract should describe the disclosure sufficiently to assist readers in deciding whether there is a need for consulting the full patent text for details.

**The language should be clear and concise and should not repeat information given in the title. It should avoid using phrases which can be implied, such as, "The disclosure concerns," "The disclosure defined by this invention," "The disclosure describes," etc.**

The lengthy specification has not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification.

### *Claim Rejections - 35 USC § 112*

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

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Claims 17-42 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 17 recites the limitation "the financial term" in line 10. There is insufficient antecedent basis for this limitation in the claim.

Claim 30 recites the limitation "the financial term" in line 11. There is insufficient antecedent basis for this limitation in the claim.

Specifically as to claim 17, the claim provides for producing output indication that the set value has been triggered **if** the set value is triggered but does not provide for **when** it does not. Applicant should amend to recite the alternative prong to the "if" statement. Alternatively, Applicant may amend the claim to delete "if" and insert --when--.

Specifically as to claim 30, the claim provides for producing output indication that the set value has been triggered **if** the set value is triggered but does not provide for **when** it does not. Applicant should amend to recite the alternative prong to the "if" statement. Alternatively, Applicant may amend the claim to delete "if" and insert --when--.

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 30-42 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claims 30-42 recite a process comprising the steps of receiving, determining and producing. Based on Supreme Court precedent, a proper process must be tied to another statutory class or transform underlying subject matter to a different state or thing (*Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)). Since neither of these requirements is met by the claim, the method is not considered a patent eligible process under 35 U.S.C. 101. To qualify as a statutory process, the claim should positively recite the other statutory class to which it is tied, for example by identifying the apparatus that accomplished the method steps or positively reciting the subject matter that is being transformed, for example by identifying the material that is being changed to a different state. The mere presence of a machine tie or transformation is not sufficient to pass the test.

A mere field-of-use limitation is generally insufficient to render an otherwise ineligible method claim patent eligible. This means the machine or transformation must impose meaningful limits on the method claim's scope to pass the test. In addition, insignificant extra-solution activity will not transform an unpatentable principle into a patentable process. This means reciting a specific machine or a particular transformation of a specific article **in an insignificant step, such as data gathering or outputting, is not sufficient to pass the test.** See *In re Bilski*, 545 F.3d 943, 88 USPQ2d 1385 (Fed. Cir. 2008).

In accordance with the M-or-T (machine or transformation) test, the claimed process must: (1) be tied to a particular machine or apparatus (machine implemented); or (2) particularly transform a particular article to a different state or thing. The mere presence of a machine tie or transformation **is not sufficient to pass the test.** When a machine tie or transformation has been

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identified, it must be further determined that the tie is to a particular machine or the particular transformation is of a particular article. Additionally, the particular machine tie or particular transformation must meet two corollaries to pass the test for subject matter eligibility. First, the use of the particular machine or transformation of the particular article must impose a meaningful limit on the claim's scope. So, a machine tie in only a field-of-use limitation would not be sufficient. Second, the use of the particular machine or the transformation of the particular article must involve more than insignificant "extra-solution" activity. If the machine or transformation is only present in a field-of-use limitation or in a step that is only insignificant "extra-solution" activity, the claim fails the M-or-T test, despite the presence of a machine or a transformation in the claim. Using the terms within the machine-or-transformation test: A "machine" is a concrete thing, consisting of parts, or of certain devices and combination of devices. This includes every mechanical device or combination of mechanical powers and devices to perform some function and produce a certain effect or result. The machine should implement the process, **and not merely be an object upon which the process operates. The claim should be clear as to how the machine implements the process.** The machine limitations should make clear that the use of the machine in the claimed process imposes a meaningful limitation on the claim's scope. "Transformation" of an article means that the "article" has changed to a different state or thing. Changing to a different state or thing usually means more than simply using an article or changing the location of an article. A new or different function or use can be evidence that an article has been transformed. Manufactures and compositions of matter are the result of transforming raw materials into something new with a different function or use. Purely mental processes in which thoughts or human based actions are

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"changed" are not considered an eligible transformation. For data, mathematical manipulation *per se* has not been deemed a transformation. A "particular" machine or apparatus or transformation of a "particular" article means that the method involves a specific machine or article, not any and all machines or articles. This ensures that the machine or transformation imposes real world limits on the claimed method by limiting the claim scope to a particular practical application. For computer implemented processes, the general purpose computer may be sufficiently "particular" when programmed to perform the process steps. **Such programming creates a new machine because a general purpose computer, in effect, becomes a special purpose computer once it is programmed to perform particular functions pursuant to instructions from program software. To qualify as a particular machine under the test, the claim must clearly convey that the computer is programmed to perform the steps of the method because such programming, in effect, creates a special purpose computer limited to the use of the particularly claimed combination of elements** (i.e., the programmed instructions) performing the particularly claimed combination of functions. If the claim is so abstract and sweeping that performing the process as claimed would cover substantially all practical applications of a judicial exception, such as a mathematical algorithm, the claim would not satisfy the test as the machine would not be sufficiently particular.

A "field-of-use" limitation does not impose actual boundaries on the scope of the claimed invention. A field-of-use limitation merely indicates that the method is for use in a particular environment, such as "for use with a machine" or "for transforming an article", which would not require that the machine implement the method or that the steps of the method cause the article

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to transform. A field-of-use limitation does not impose a meaningful limit on the claimed invention.

Insignificant "extra-solution" activity means activity that is not central to the purpose of the method invented by the applicant. For example, gathering data to use in the method when all applications of the method would require some form of data gathering would not impose a meaningful limit on the claim.

In the instant, the transformation is not adequate to pass the machine or transformation test because the devices in the claim does not impose a meaningful limit on the claim's scope and appears to be moving information back and forth which the consumer could do by hand. Applicant should amend the claim to positively recite this relationship and transformation. Applicant should amend the determining step to recite, "determining, by the computer," to overcome the rejection.

### ***Response to Arguments***

Applicant's arguments with respect to claims 17-42 have been considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to KELLY CAMPEN whose telephone number is (571)272-6740. The examiner can normally be reached on Monday-Thursday.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Kelly Campen  
Primary Examiner  
Art Unit 3691

/Kelly Campen/  
Primary Examiner, Art Unit 3691